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S. R. BNA, W. R. Burke/mem
(Drafting Office and Officer)

DEPARTMENT OF STATE

Approved by G
7/16/62

Memorandum of Conversation

DATE: June 27, 1962
10:00 a.m.

SUBJECT: Call of the Premier of Jamaica on the President

United States

PARTICIPANTS:

The President
U. Alexis Johnson, Deputy Under Secretary for Political Affairs
William C. Burdett, Acting Deputy Assistant Secretary
for European Affairs
John R. Burke, Desk Officer, Jamaican Affairs, BNA

Jamaica

Sir Alexander Bustamante, Premier
Donald B. Sangster, Minister of Finance
Robert C. Lightbourne, Minister of Trade and Industry
Edward P. Seaga, Minister of Development and Welfare

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The President opened the discussion by welcoming Premier Bustamante and his ministers to Washington. In response, Sir Alexander indicated that he was not a stranger to the United States, that he had lived for several years in Boston, and that he had left the U.S. in 1932.

The President initiated the substantive portion of the discussion by asking a series of questions concerning unemployment in Jamaica, emigration, and the effect of the Common Market. In response to these inquiries, Sir Alexander informed the President that unfortunately, 18% of the available labor force was unemployed. This figure had been fairly consistent for the last few years. He noted that emigration was related to unemployment, and that several thousand Jamaicans had been migrating each year to the United Kingdom. Regarding the Common Market, the Premier stated he did not know the effect it would have in Jamaica but that he "feared it". Probing on the effect of the Common Market, the President asked about the future of Jamaican commodities, such as sugar and coffee. Mr. Sangster observed that it might in the long run prove an aid for Jamaican commodities if Jamaica were accorded the same preference within the Common Market as had been given former African colonies of France. However, he, too, agreed with the Premier, and was backed by Mr. Lightbourne, that prognostications on this subject were chancey.

The President then inquired of the Premier his views regarding the future of the Caribbean. Sir Alexander stated that Trinidad would, after independence, become a viable unit and would survive. He felt that the "eight" would become a political unit, perhaps achieve independence, but would "forever" be in need of assistance from the U.K. Mr. Lightbourne predicted that one day a form of federation would probably evolve which might include Trinidad and the "little eight".

Under Secretary Johnson interjected a question regarding British Guiana, to which the Premier replied that "Cheddi is a law unto himself". The President then observed that there was a heavy percentage of people of East Indian origin in Trinidad. He wondered if this percentage might one day gain political control in Trinidad and what effect this might have on British Guiana's future relations with Trinidad and the "little eight".

The discussion turned to future links between Jamaica and the other islands of the West Indies. Sir Alexander stated that they would naturally share services, such as an airline, shipping companies, etc. However, he emphasized with some vigor his belief that Jamaica's natural affinity was not toward the other islands of the Caribbean, but rather to Canada and the United States. "After all", he stated, "Trinidad is 1200 miles from Jamaica." The President remarked that California was over 2,000 miles from the east coast of the United States. Sangster interjected that this was, however, a land separation as opposed to a sea separation, in response to which the President mused that oftentimes seas tended to unite political units rather than separate them, and the ease of transport they provided was superior to that which land could afford.

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The President asked about the importance of tourism to the economy of Jamaica. Sir Alexander replied that it meant 11.5 million pounds annually to the island, and Mr. Sangster noted that this was approximately 15% of Jamaica's income. As to its future, Mr. Lightbourne reported that in recent years, though the number of tourists had gone up, the income derived had remained at approximately the same level.

Mr. Lightbourne then launched on a lengthy litany of Jamaica's problems on the eve of independence. Sir Alexander interrupted and provided by way of preface the remark, "But, Mr. President, you are tired of hearing about other people's problems." Mr. Lightbourne continued his resumé, dealing first of all in some detail with the subject of sugar, pointing out that the fluctuation in this one commodity had an important effect in Jamaica in view of the fact that 40% of the money realized from its sale actually reached the cane field workers in the form of wages (some 100,000 Jamaicans are employed in sugar production). He also alluded to the problems which would be raised if U.S. purchases of bauxite in Jamaica were suspended. The President remarked that upon joining the Organization of American States, participation in the Alliance for Progress would be available to Jamaica and that this might provide an avenue to work out the resolution of these problems. Sir Alexander expressed the fear that the OAS might not admit Jamaica. He noted that Guatemala seemed to have reservations about Jamaica's candidacy. The President thereupon asked Mr. Johnson what machinery existed for the admission of new members into the OAS. Mr. Johnson informed the President that no machinery existed, and that as a matter of fact this question was now being discussed within the Council of the OAS. Sir Alexander interposed at this point the statement that Jamaica had made an irrevocable decision to commit itself to the side of the West, implying that this decision would not be affected even if Jamaica did not become a member.

Minister Seaga then began a brief review of the ten-year plan which the Jamaican Government hoped to follow in the decade after independence. He described it as a modest plan, based on their statistics for the past ten years. A growth rate of 7% per annum had been projected (4-1/2% real rate after population growth had been taken into account). He pointed out that no sugar acreage increase was being programmed. However, allowance was being made for a 1% increase to be realized from technological progress. (Mr. Seaga digressed to restate the Jamaican case on the importance of the sugar industry to the island, emphasizing the point that a significant fraction of the income reached directly to the lowest strata of farm worker.) Continuing with his exposé of the ten-year plan, Mr. Seaga referred to the question of bauxite, explaining that few workers were involved in this extractive industry and that its importance for Jamaica was as a government revenue resource.

Mr. Seaga stated that emigration also would be an important factor in the ten-year plan. He noted that in the past an average of 22,000 Jamaicans had gone to the United Kingdom each year. This had eased the unemployment problem and had

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provided remittances which helped the balance of payments. Now, however, the recently enacted Commonwealth immigration bill would seriously hamper any future immigration flow to the U.K. Jamaica had nevertheless allowed in its ten-year plan for an annual outflow of 10,000 people. This could only be realized if the United States were to relax its immigration laws vis a vis an independent Jamaica and accorded the island non-quota status. He wished to draw this to the President's attention, pointing out that under existing U.S. law Jamaica would have a quota of only 100 after independence and would not enjoy equal status with other independent Western Hemispheric countries.

In reply, the President pointed out that the immigration problem was a complex one and involved Congressional action. The President promised that the Administration would think about this problem.

Ministers Sangster and Seaga then raised the question of migratory workers. Mr. Seaga referred briefly to the existing arrangement whereby several thousand Jamaicans came annually to the U.S. (mainly to Florida and the other states on the eastern seaboard) to work as migrant laborers. This arrangement had worked quite well in the past and had furnished a source of income for the island in the form of remittances. There was now a fear, however, that the recently enacted Mexican law which limited the period a migrant worker could be employed continuously in the United States to 210 days, would be invoked against Jamaica's laborers. This would cause many problems, particularly in view of the fact that it was more costly for a Jamaican laborer to travel to and from the U.S., thus making it only marginally profitable to him if he were forced to reside and work for a period of less than 210 days. Mr. Johnson informed the President that this subject was being taken up with Secretary of Labor Goldberg at a later appointment, and the President said that he would like a memorandum on the matter.

The Premier reverted once again to the question of sugar. He pointed out that the free market price for sugar at approximately \$22 per ton was an economic impossibility for Jamaica where production costs dictated a price of almost \$32 per ton. It was absolutely essential therefore that Jamaica enter restricted markets at preferred prices or the entire sugar industry, which meant so much to the island's economy and its workers, would be seriously shaken. He outlined to the President the importance of the Bustamante Industrial Trades Union which he headed and which was the political base for his party. Its nucleus was made up of the sugar workers and he knew from personal experience that a disruption of the sugar industry would have profound political implications for Jamaica.

The President then brought up the subject of tobacco production in Jamaica and inquired as to whether Jamaica could duplicate the Havana cigar. Mr. Lightbourne stated that not only could Jamaica duplicate it, but could produce a cigar of superior quality to those made in Cuba. A discussion of types of tobacco leaf then ensued which was concluded with an expression of interest on the part of the Jamaican delegation in exploring the possibility of an American market for quality Jamaican cigars.

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Next, the Premier gave expression to a fear he had regarding a Russian effort to block Jamaica's entry into the United Nations. This move would be in retaliation to Jamaica's reaction to a recent visit by Russian trawlers to Kingston. On their arrival the Premier had refused the crews permission to land because on a previous visit crew members had taken numerous pictures of the island. He ordered that supplies be given the vessels, but that contact with Jamaicans be limited to the minimum required to complete the supply operation. This, he emphasized, was part of his feeling on the general question of communism and his decision to commit his Government to the side of the West.

Minister Lightbourne mentioned a project which would, in his view, be of benefit to the Jamaican economy. He asked U.S. consideration for the establishment of a USDA inspection station in Jamaica so that truck farm produce could be shipped to the U.S. He noted that Cuba had in the past enjoyed a fairly lively trade of this type and it was Jamaica's hope to capture some of the market now left vacant. It was noted by the President that the Jamaican group would be having discussions with the Department of Agriculture on this point and he asked that a memorandum be prepared for him.

Mr. Lightbourne then embarked on a strong plea for an AID project in connection with the development of Jamaica's harbor. He pointed out the inadequacies of existing facilities, the potential of the harbor, and the existence of a detailed 1954 survey which could be brought up to date with very little additional work. He also pointed out that Jamaica had a very obvious strategic importance which could grow within the next few years. It was important, he stated, that after independence the people be given the idea that Jamaica was moving ahead. They would, he stated be willing to make sacrifices, but they must be presented with tangible goals and the hope of their achievement. He asked for U.S. assistance on this project.

Mr. Johnson suggested that funds for this development might be obtained from various international lending agencies, such as the IDB, but Ministers Sangster and Lightbourne indicated that prospects were not bright because of fears in the money markets regarding the future of Jamaica. The President inquired whether British assistance would be available; the Premier and his ministers were quite pessimistic on this point, fearing that British assistance would be negligible after independence. Mr. Lightbourne observed that many ill-timed problems were plaguing Jamaica on the eve of independence: the unsettled sugar market; bauxite and the stockpiling investigations; Britain's balance of payment ills. The President expressed sympathy for Jamaica's problems and he suggested that they bring these matters up in their talks with Mr. Moscoso and his assistants at the Agency for International Development. However, he pointed out that America's commitment was a global one and that resources were already spread thin. Nevertheless he assured the Jamaicans that the U.S. would do what it could in so far as commitments and resources would permit.

/ Sir Alexander

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Sir Alexander told the President in strong terms that if the United States should ever desire to reactivate its air base in Jamaica, it was there for the nation's use. Minister Sangster underlined this offer. Minister Sangster went on to thank the President for the dispatch of a Peace Corps contingent to Jamaica and informed the President that the Corpsmen had arrived, were on station, and that it was anticipated that excellent results would accrue from their presence.

The interview concluded with the President thanking the Premier and his ministers for their call and with mutual expressions of good will.

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